

A Case Study of Success!

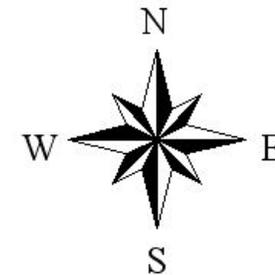
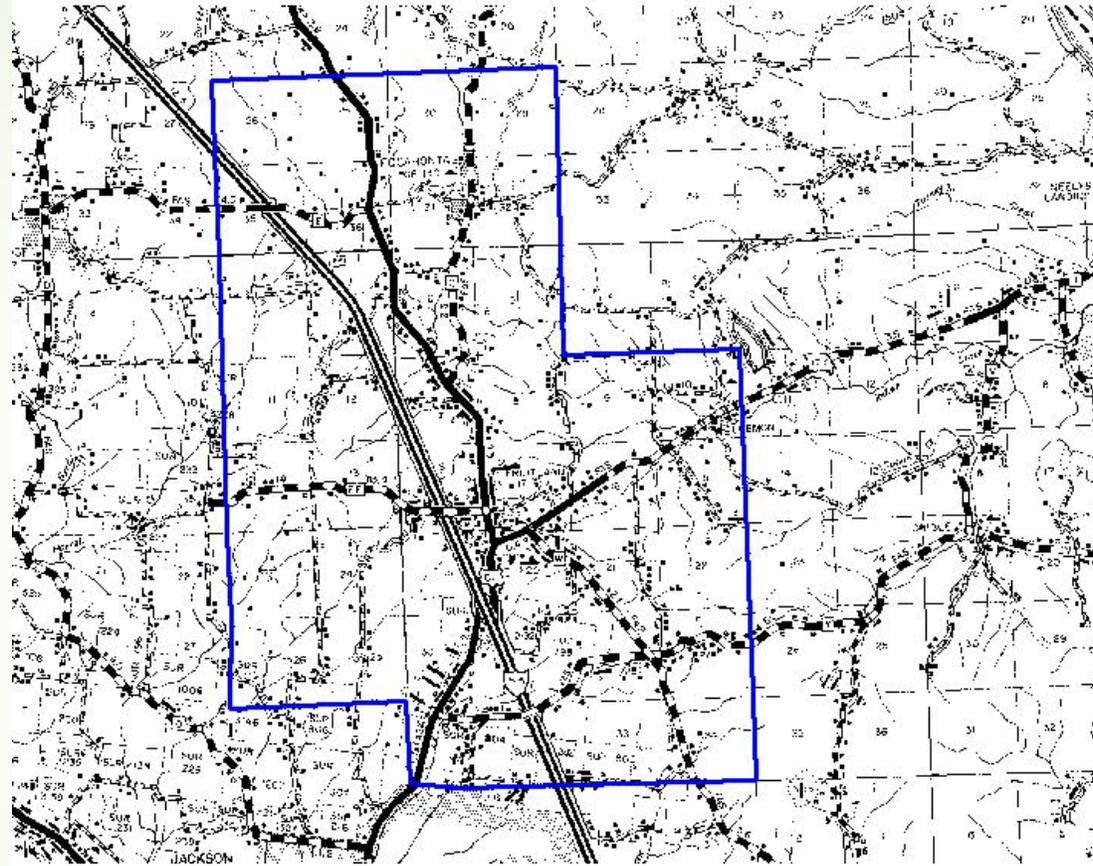


# The Cape Girardeau County Common Sewer District

- Formed under 204.250 after November 4, 1997 election, as a Common Sewer District
- Goal was to address failing septic systems
- Lack of funds, Board went inactive

# Original District Boundaries

## Exhibit "B"





# Fast Forward to 2009

- The area has grown and now includes at least 21 permitted treatment facilities
  - Many have S.O.C. in their permits for disinfection and ammonia
- Failing septic systems still an issue
- Strickland Engineering operated many of these systems and requested the County Commission to appoint a new Board
- New Board members appointed
- Checking account balance of \$0.00

# Novel funding approach

- District needed funds to operate
- Asked the public for seed money
- New Strategy: Develop a revenue stream by taking ownership and operation of existing wastewater treatment systems



## District Now

- The District has accepted ownership and responsibility for 22 wastewater systems in the Fruitland and Starlight areas, starting in 2013
- Systems voluntarily transferred TO the District by:
  - Businesses
  - HOAs
  - School
  - Developers
- Now operates 18 systems with 880 customers
- Annual revenue approaching \$500,000



# Selling the Benefits of Transfers

- Takes HOA, Business, School “Out of the Sewer Business”
- Eliminates risk and uncertainty
- Stabilizes household expenses
- No special assessments to homeowners
- Everybody pays sewer bills, not everyone pays their HOA fees
- Savings in numbers



(d) The Homeowners Association is empowered to transfer and convey to any public authority, municipal corporation or private corporation certificated by the Public Service Commission of Missouri, said sewer system, either with or without money consideration therefor, and such conveyance shall become mandatory and shall be made by the Homeowners Association as soon as practicable, when any such public authority, municipal corporation or private corporation certificated by the Public Service Commission becomes capable of accepting such conveyance and thereafter performing all functions relating to the construction, maintenance, operation repair, improvement and regulation of the sewer system

(e) The Homeowners Association is empowered to contract with any other person





# Revenue

- ▶ Revenue makes projects possible!
  - ▶ Replaced Twin Oaks with MBBR
  - ▶ Re-fit Tamarac mechanical plant
  - ▶ Added disinfection where needed
  - ▶ Decommissioned and combined facilities
  - ▶ Improved treatment at Cedar Meadows













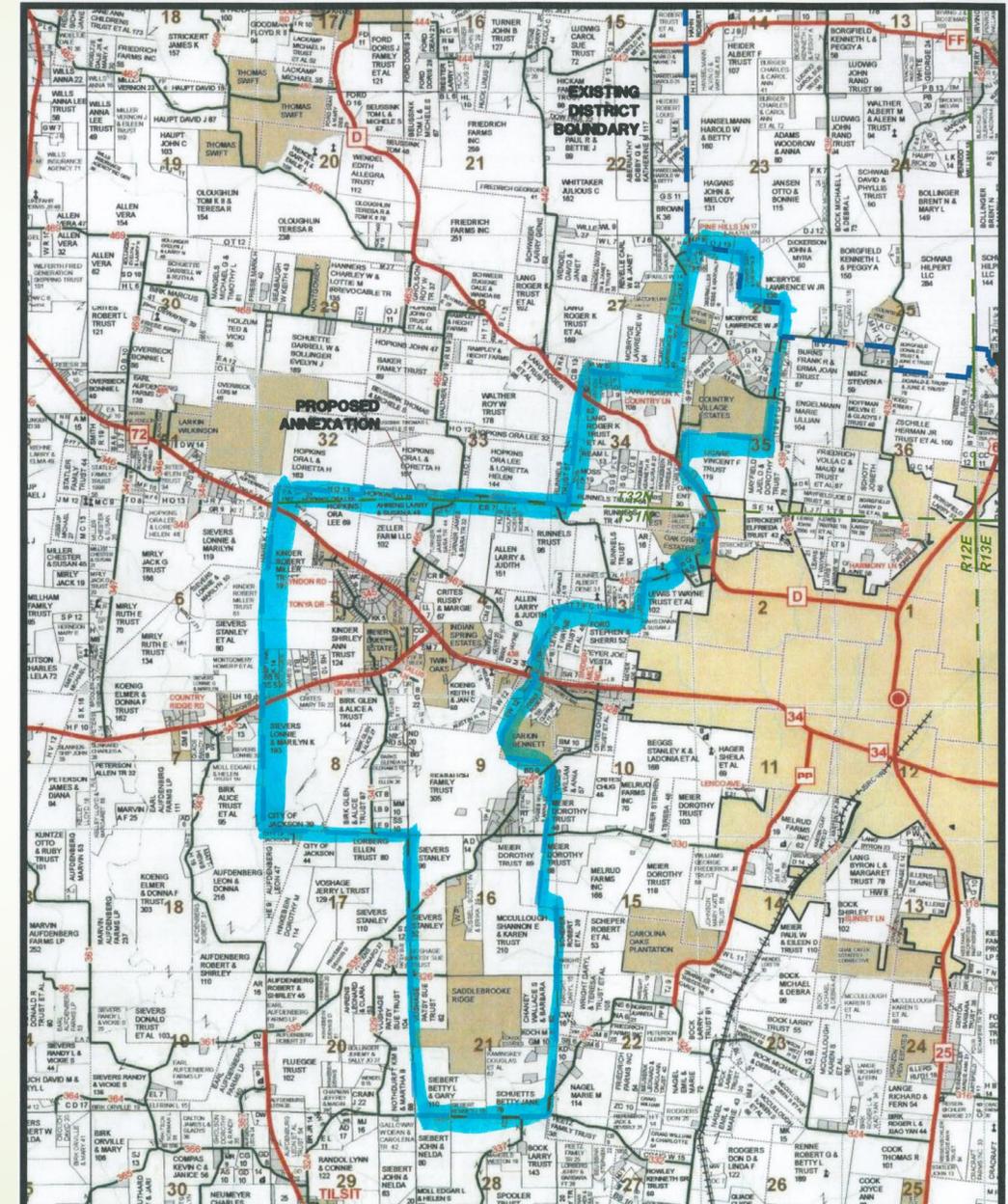
# The Challenge

- Inefficient to operate 18 individual systems
- Schedules of Compliance
- Aging infrastructure
- Septic systems still a problem
  
- Needed a comprehensive plan
- Paid \$30K for a P.E.R. to address the 2 issues of existing treatment systems and failing septic systems

# Two major changes

- Expanded our District by petitioning the Circuit Court
- Re-organized under 204.604 RsMO by petitioning the Circuit Court
  - Ability to issue Revenue Bonds without election
  - Critical for long term projects and sustainability

EXHIBIT A





# Where we are going

- 2016 RD approved \$14.4M Project to eliminate 20 systems in Fruitland Area and add 400 new users
  - \$5M Rural Development Grant
  - \$9.4M Rural Development Loan
- Easement condemnation July 2019
- Hopeful groundbreaking in calendar 2019
- Continue to operate 6 “Satellite Systems”
  - Belle Vista, Oak Creek, Cedar Meadows, Seabaugh Acres, Saddlebrooke Ridge, Twin Oaks



# Key Points

- Full speed ahead, damn the torpedoes!
  - Ask the community for startup funds
  - Work closely with your County Commission to put together an energized and committed Board
  - Focus on customer service and transparency
  - Find an experienced lawyer and engineer
  - Organize under 204.604.602 in the first place, with an election
  - Go big (in area) !
  - Receive and operate existing systems to generate a revenue stream



## For more information:

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